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TAGS: [ASEC](#) [PGOV](#) [PREL](#) [KPKO](#) [UN](#) [AU](#) [SU](#)
SUBJECT: FINANCE MINISTER ALJAZ SAYS NCP COMMITTED TO
PEACE, ECONOMIC DEVELOPMENT

REF: A) KHARTOUM 803

Classified By: CDA Robert E. Whitehead, for reasons 1.4 (b) and (d)

¶1. (C) Summary: The National Congress Party (NCP) is committed to the peaceful resolution of Sudan's political problems so it can focus its energy on economic development, Minister of Finance Dr. Awad Aljaz told CDA Whitehead in a July 2 meeting. Striking a friendly tone, Aljaz expressed hope that bilateral relations would improve under the Obama administration so that U.S. companies could return to Sudan. During the meeting, he expressed his personal frustration and what he said was "bafflement" over USG sanctions. Aljaz also urged the USG to provide the Government of Southern Sudan (GOSS) with sound advice on how to manage its finances. End Summary.

¶2. (C) Aljaz emphasized to CDA Whitehead that the Government of Sudan (GOS) was committed to peace, as evidenced by the 2005 signing of the Comprehensive Peace Agreement (CPA). He was quick to lay blame for the Darfur conflict and the now-resolved Eastern Sudan conflict on outside actors, and launched into a familiar GOS refrain about how Western media and advocacy groups have distorted information about the situation on the ground. The Darfur conflict is, nonetheless, in a concluding phase, he claimed, adding that its resolution will allow the GOS focus more time and energy on economic development nationwide. Of particular interest was exploiting Sudan's natural resource wealth in the fields of oil and gas, livestock and agriculture, he said.

¶3. (C) Aljaz expressed satisfaction with what he described as a change in the tone on Sudan from the new U.S. administration, noting how both SE Gration and Senator Kerry spoke in "a different language" from that of past USG visitors. Recalling a time when American oil firms like Marathon, Occidental and Mobil were present in Sudan, Aljaz said he hoped they would one day return to help develop Sudan's oil industry. He professed bafflement as to why USG sanctions on Sudan were still in place, arguing that the USG and GOS had no reason to quarrel. He also lamented that the sanctions complicated Sudan's efforts to obtain debt relief and international development aid from the World Bank and IMF, despite having met the necessary conditions.

¶4. (C) With regard to the South, Aljaz expressed hope that Sudan would maintain its unity, but acknowledged that Southern politicians were "very separatist". He opined that the four years of Southern autonomy had been characterized by waste and mismanagement, and dismissed Southern grievances

over wealth sharing provisions of the CPA. The South had received "every single penny" of oil revenues it was entitled to, he said, touting the transparency of the Joint Technical Committee on Oil Revenues. "But because they've wasted it all, they need excuses" he argued. Part of the problem, in Aljaz's view, was that the South lacked capacity and expertise. He urged the USG to advise the GOSS on financial matters. "They listen to you more than they listen to us," he said.

15. (C) Comment: Highly regarded for his technical and managerial capacity, the US-educated Aljaz is also among the regime's hardliners. His views underscore how the NCP is often incapable of recognizing its own flaws, preferring to blame outsiders for political problems of its own making. As with Presidential Advisor Dr. Nafie Ali Nafie (reftel), the cordial tone struck by Aljaz likely demonstrates broad-based NCP buy-in to and its desire for continuing USG engagement. The NCP views the latter as critical to its achieving outcomes that favor NCP interests in ending the Darfur conflict and implementing the CPA.

WHITEHEAD